



**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
VICTORIA DIVISION**

ENTERED
08/08/2017

In re:

LINN ENERGY, LLC, *et al.*¹

Reorganized Debtors.

)
Chapter 11
)
Case No. 16-60040 (DRJ)
)
(Jointly Administered)
)

STIPULATION AND ORDER ASSUMING CERTAIN OIL AND GAS LEASES

(Relates to Dckt. Nos. 1239, 1400, 1619)

The above-captioned debtors (collectively, the “LINN Debtors” and after the effective date of the Plan (as defined herein), the “Reorganized LINN Debtors”)² and Joe Dreitz, Jr. (“Mr. Dreitz” and together with the Reorganized LINN Debtors, the “Parties”) hereby enter into this stipulation and order (this “Stipulation and Order”) as follows:

WHEREAS, on May 11, 2016, the LINN Debtors filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) in the United States Bankruptcy Court for the Southern District of Texas (the “Bankruptcy Court”);

WHEREAS, the Bankruptcy Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, this matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2), and venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409;

¹ The LINN Debtors in these chapter 11 cases and the last four digits of each LINN Debtor’s federal tax identification number are as follows: Linn Energy, LLC (7591); LinnCo, LLC (6623); Linn Energy Finance Corp. (5453); Linn Energy Holdings, LLC (6517); Linn Exploration & Production Michigan LLC (0738); Linn Exploration Midcontinent, LLC (3143); Linn Midstream, LLC (9707); Linn Midwest Energy LLC (1712); Linn Operating, Inc. (3530); Mid-Continent I, LLC (1812); Mid-Continent II, LLC (1869); Mid-Continent Holdings I, LLC (1686); Mid-Continent Holdings II, LLC (7129). The location of the principal offices of the Reorganized LINN Debtors is JPMorgan Chase Tower, 600 Travis Street, Houston, Texas 77002

² Capitalized terms used, but not otherwise defined herein shall have the meanings ascribed to them in the *Amended Joint Chapter 11 Plan of Reorganization of Linn Energy, LLC and its Debtor Affiliates Other Than Linn Acquisition Company, LLC and Berry Petroleum Company, LLC* [Docket No. 1624] (the “Plan”).

WHEREAS, on December 1, 2016, the Linn Debtors filed *Debtors' Amended Motion for Entry of an Order (A) Authorizing Assumption of Certain Oil and Gas Leases, (B) Setting the Cure Amount With Respect Thereto, and (C) Granting Related Relief* [Docket No. 1239] (the “Motion”);

WHEREAS, on December 13, 2016, the Linn Debtors filed the *Amended Joint Chapter 11 Plan of Reorganization of Linn Energy, LLC and Its Debtor Affiliates Other Than Linn Acquisition Company, LLC and Berry Petroleum Company, LLC* [Docket No. 1255] (the “Plan”);³

WHEREAS, on December 21, 2016, Mr. Dreitz filed *Objection of Joe Dreitz, Jr., To Debtors' Amended Motion For Entry of an Order (A) Authorizing Assumption of Certain Oil and Gas Leases, (B) Setting the Cure Amount With Respect Thereto, and (C) Granting Related Relief* [Docket No. 1400] (the “Objection”);

WHEREAS, on January 24, the Court entered the *Order (A) Authorizing Assumption of Certain Oil and Gas Leases, (B) Setting the Cure Amount with Respect Thereto, and (C) Granting Related Relief* [Docket No. 1619] (the “Kansas Lease Assumption Order”) authorizing the assumption of all of the Linn Debtors’ Kansas oil and gas leases other than those oil and gas lease between (a) the Linn Debtors and Mr. Dreitz (the “Dreitz Lease”) and (b) the Linn Debtors and the Exxon/XTO Counterparties (as defined in the Confirmation Order);

WHEREAS, on January 27, 2017, the Court entered the *Order Confirming (I) Amended Joint Chapter 11 Plan of Reorganization of Linn Energy, LLC and its Debtor Affiliates Other Than Linn Acquisition Company, LLC and Berry Petroleum Company, LLC and (II) Amended*

³ Capitalized terms used but not defined herein shall have the meaning ascribed to them in the Plan.

Joint Chapter 11 Plan of Reorganization of Linn Acquisition Company, LLC and Berry Petroleum Company, LLC [Docket No. 1629] (the “Confirmation Order”) confirming the Plan;

WHEREAS, the Confirmation Order provides that the “Confirmation Order shall not effectuate an assumption or rejection of the [Dreitz Lease], establish a cure amount or rejection damages amount, if any, with respect to the Dreitz Lease, or be interpreted as an order affirming the propriety of the Debtors’ deduction practices with respect to the Dreitz Lease, which issues shall be decided at a hearing to be set on a date mutually agreeable between the Debtors, the Reorganized Debtors, and Mr. Dreitz with respect to the Debtors’ motion to assume such leases [Docket No. 1239] and Mr. Dreitz’s objection thereto [Docket No. 1400].” Confirmation Order, ¶ 214.W;

WHEREAS, on February 28, 2017, the effective date of the Plan occurred;

WHEREAS, the hearing on the Motion with respect to the Dreitz Lease has been set for August 9, 2017;

WHEREAS, the Reorganized LINN Debtors and Mr. Dreitz have agreed to resolve the Objection, as provided herein.

NOW, THEREFORE, IT IS STIPULATED BY THE PARTIES AND HEREBY ORDERED THAT:

1. The foregoing recitals are hereby incorporated by reference into this Stipulation and Order.
2. The Dreitz Lease is hereby assumed and no cure amount is owed by the Linn Debtors with respect thereto.
3. This Stipulation and Order is not effective until it has been entered by the Bankruptcy Court.

4. This Stipulation and Order is intended by the Parties to be binding upon their successors, agents, assigns, including bankruptcy trustees and estate representatives, and any parent, subsidiary, or affiliated entity of the Parties.

5. The undersigned hereby represent and warrant that they have full authority to execute this Stipulation and Order on behalf of the respective parties and that the respective parties have full knowledge of, and have consented to, this Stipulation and Order.

6. Neither this Stipulation and Order, nor any actions taken pursuant hereto, shall constitute evidence admissible against the Parties in any action or proceeding other than one to enforce the terms of this Stipulation and Order.

7. The Parties agree that each of them, through their respective counsel, has had a full opportunity to participate in the drafting of this Stipulation and Order and, accordingly, any claimed ambiguity shall be construed neither for nor against either of the Parties.

8. This Stipulation and Order constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior discussions, agreements, and understandings, both written and oral, among the Parties with respect thereto.

9. This Stipulation and Order shall not be modified, altered, amended, or supplemented except by a writing executed by the Parties or their authorized representatives.

10. The Bankruptcy Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Stipulation and Order, and the Parties hereby consent to such jurisdiction to resolve any disputes or controversies arising from or related to this Stipulation and Order.

Signed: August 08, 2017.



DAVID R. JONES
UNITED STATES BANKRUPTCY JUDGE

IN WITNESS WHEREOF, the Parties, by their authorized counsel, executed this Stipulation and Order as of the date written below.

Dated: August 7, 2017

LINN ENERGY, LLC, et al.

/s/ Patricia B. Tomasco

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Dated: August 7, 2017

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